



County Executive Office

County of Orange

2003

Business Plan

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Interim County Executive Officer

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Executive Summary

The County Executive Office (CEO) is the executive branch of Orange County government. The CEO is responsible for providing leadership, vision, and a knowledge of emerging trends and issues for the purpose of supporting and implementing Board of Supervisors (Board) policy, and to ensure that the County of Orange is operated in an efficient, accountable, and responsive manner. The County Executive Officer provides direction to all County agency/department heads directly assigned to him, and provides administrative oversight to those department heads who report directly to the Board.

The mission of the County Executive Office is to support and implement Board policy and direction through corporate direction and leadership, communication and coordination of strategic and regional planning, and to ensure effective service delivery through efficient management of the County's workforce and resources.

2002 was devoted in many ways to addressing the continuing impacts of the dramatic events of the previous year. In 2002, the County of Orange continued to: address the severe impacts of the energy crisis, the national economic downturn, and the resulting State budget deficit; prepare for the selection of a vendor to provide a new electronic voting system; investigate and address the fiscal issues impacting the Planning and Development Services Department, and complete security improvements in response to the terrorist attacks on September 11, 2001.

The County's year 2003 will likewise again be dominated by the Governor and State legislature's handling of the now projected \$35 billion State budget deficit, local community demands for additional services to address security concerns, and the Orange County Superior Court's ruling on the property tax assessment methodology process. These continuing challenges will translate into significant resource shifts away from currently identified strategic priorities and require that County resources are deployed for critical services. In addition, there are a variety of issues and projects that will be addressed in 2003. These include addressing the short-term vacancy on the Board of Supervisors and the calling of a special election, adult and juvenile detention facility improvements, addressing Proposition 172 sales tax revenue shortfalls in the District Attorney's budget, and watershed and ocean monitoring compliance issues, among other important issues.

Despite the budget challenges that permeated the efforts of 2002, the County has continued to make progress toward resolving a number of other issues. A brief outline of the more significant accomplishments of 2002 as well as the issues/challenges for 2003 are presented later in the plan. As clearly illustrated, the CEO is and will continue to be involved in a number of diverse and complex issues that directly impact the quality of life of Orange County residents and businesses. The CEO is also continuing to refine the County Business Planning process for 2003 by working with agencies/departments to focus on the value each one brings to its clients, and the progress each is making toward accomplishing its goals.

2003 MISSION & GOALS

CEO MISSION STATEMENT

To support and implement Board policies and direction through corporate direction and leadership, communication and coordination of strategic and regional planning and to ensure effective service delivery through efficient management of the County's workforce and resources.

To support and implement Board policies and direction...

The CEO is responsible for supporting the Board's decision-making authority by providing comprehensive, quality and timely research and analysis on issues. Once policy direction is established, the CEO then formulates, executes, and monitors programs/activities that adhere to the spirit and intent of those directives.

...through corporate direction and leadership...

Through its four divisions of Finance, Strategic & Intergovernmental Affairs, Human Resources, and Information Technology, the CEO works with seven elected and sixteen appointed department heads to implement Board policy direction, ensure fiscal integrity, and coordinate the operations and services of the County. In order to successfully fill this role, the CEO reviews and comments on Board agenda items, oversees Countywide funds, coordinates the annual budget process, manages the County's long-term debt, negotiates and implements employee terms and conditions of employment, and evaluates the performance of most appointed department heads.

...communication and coordination of strategic and regional planning...

The CEO provides leadership in the planning and establishment of effective governance structures and relationships for the accomplishment of County corporate, as well as regional goals and objectives. Major responsibilities include coordination of all Federal and State legislative advocacy efforts, conducting organizational assessments, providing oversight and coordination of a number of critical regional issues (e.g., watershed, low income housing, child care, animal care, annexation/ incorporation, energy), and administering the Orange County Redevelopment Authority, the Comprehensive Economic Development Strategy, the offices of Protocol and International Business Development, and tourism activities.

...and to ensure effective service delivery through efficient management of the County's workforce and resources.

The CEO has spent the past few years building an environment in which employees are encouraged to excel. The CEO is committed to managing an efficient, effective, and accountable workforce by creating a learning environment focusing on employee development activities designed to optimize productivity.

2003 GOALS

In order to fulfill its mission, the CEO has adopted four goals. These goals were the result of a concerted effort to establish goals that convey the value the office provides to County government and the community it serves.

Goal 1: *Facilitate, support and ensure the implementation of decisions by the Board of Supervisors*

This goal is intended to convey the CEO's comprehensive role in providing the Board the assistance they need in order to make informed decisions on a variety of significant issues that impact Orange County businesses and residents.

Goal 2: *Improve County government's effectiveness in addressing community issues and needs*

The CEO has developed a solid administrative infrastructure and processes in an effort to improve County government's ability to address the issues and needs of the community. The CEO ensures consistency of approach through its Corporate Management System (i.e., Strategic Financial Plan, Business Plans, Performance Measurement, Pay for Performance Compensation plans, Corporate Communications) which provides strategic planning directed toward addressing community issues and needs, measuring results, relating employee pay to the accomplishment of County objectives, and communicating to the public.

Goal 3: *Ensure the financial strength and integrity of the County of Orange*

The maximization of resources and effective operation of the County is to a large extent dependent upon the management of its finances. Prudent financial and operational management can enhance the County's credit ratings by rating agencies, garner confidence from Wall Street and result in reduced costs of borrowing money to fund important strategic priorities. For the past several years, the County's strategic financial planning efforts have provided an important hedge against economic downturns.

Goal 4: *Preserve and advance the interests of the Orange County community by working with other levels of government and by ensuring regional issues and needs are addressed*

The CEO is responsible for safeguarding community interests, which involves the development of County responses to Federal, State, and local issues or mandates. Several of the strategies/projects identified in this business plan require favorable legislation for full implementation of the County's position. The County of Orange is also the main provider and coordinator of regional projects and essential public services for the County. The issues addressed by the Board of Supervisors and implemented by the CEO have considerable impact on the quality of life of our residents and require collaboration and planning from various segments of society. This was developed to specifically communicate the CEO's commitment to preserve and advance the interests of our communities.

These goals form the basis for the development of the Operational Plan detailed in the following section.

2003 OPERATIONAL PLAN

CLIENTS

Orange County Board of Supervisors

The County of Orange is a Charter County divided into five districts and governed by a five member elected Board of Supervisors who serve four-year terms of office. As the executive branch of Orange County government, the CEO supports the Board of Supervisors by providing the corporate leadership, vision, and knowledge of emerging trends and issues that are needed to develop and implement Board policy and ensure that Orange County government is operated in an efficient, accountable and responsive manner.

County Agencies/Departments

The County is composed of twenty-three agencies/departments with seven elected and sixteen appointed department heads. Fourteen department heads report directly to the CEO. The remaining report either directly to the Board of Supervisors or the electorate. The CEO is responsible for working with all departments to ensure that Board policy and direction are fully executed. In addition, the CEO takes a leadership role in ensuring that County programs and resources are coordinated and fully optimized.

County Employees

The Board and the CEO recognize employees as County government's greatest resource. The CEO takes the lead in developing Countywide strategies to attract and retain a highly qualified workforce. In order to continuously improve efficiency, accountability and program success, the CEO works with department heads and labor organizations to develop and implement workforce programs that support training and skill development, reward and recognize superior performance, and encourage open communication at all levels in the organization. In addition, the CEO negotiates labor contracts that govern employees' terms and conditions of employment and manages the County's employee benefit programs.

The Community

Orange County is a diverse community composed of a broad range of interest groups including businesses, non-profit organizations, advocacy groups, special districts, regional service providers, cities, and the general public. County agencies and departments partner with these groups around the Public Protection, Health and Human Services, and Environmental Resources issues, services and programs that are the County's responsibility and affect the quality of life for all residents of the County. The CEO works with department heads to provide leadership in developing and maintaining high level community partnerships to ensure that resources entrusted to the County are maximized, well managed and consistently focused in a strategic direction and budget set by the Board.

Investors

The County relies on investors to purchase County bonds to support bankruptcy recovery and the financing of major long-term projects. In order to develop and maintain the confidence of the investment community, the CEO must take the lead in ensuring that County government has the organizational structure, management systems and financial stability that investors seek in organizations. It also requires the CEO to effectively and regularly communicate with the investment community and ensure that the County maintains an impeccable system of financial checks, balances and standards relative to financial accountability and disclosure.

RESOURCES

The CEO oversees the County's \$4.9 billion budget. The vast majority of this budget (90%) constitutes non-discretionary dollars received from the Federal and State governments dedicated toward mandatory programs and services. The remainder of the budget (\$470 million or only 10%) represents funds for which the County has some discretion regarding its use.

The CEO directly manages \$1.8 billion of the \$4.9 billion County budget for a wide variety of Countywide purposes. Of the \$1.8 billion, 98.7% is allocated for debt service, reserves, capital projects, information and technology, insurance programs, and other program funds that are administered on behalf of the entire County. The CEO is committed to administering these funds and programs in the most efficient and effective manner on behalf of the County. The balance of the funds (\$23.9 million or 1.3%) are for the operation of the CEO's office, 89% of which is Net County Cost.

The CEO manages over \$800 million of the County's long-term debt to help meet the County's financing needs for capital improvements and equipment. Additionally, the CEO manages conduit bonds at no net County cost to finance public facilities in community facilities and assessment districts as well as several affordable housing programs for first-time homebuyers and low-income renters.

The CEO workforce is engaged in providing direct support for a broad range of activities performed by the County. The CEO values its employees and believes that workforce investment is essential to the achievement of the office's business goals. The CEO also utilizes the broad array of workforce programs and tools available to attract, engage, train, develop, reward and recognize staff. The CEO utilizes County pay-for-performance plans (PIP and MPP) to align individual goals with business objectives and for determining performance rewards. It also utilizes training programs such as LEAD, Enlightened Leadership, IT Incentive and Tuition Reimbursement to help staff develop the skills and competencies needed to excel. The CEO also utilizes recognition programs such as the Spotlight Awards to empower supervisors to reward exceptional performance on an immediate basis. Finally, the office utilizes the Labor Management Committee (LMC) to ensure open communication on issues, dispute resolution and to obtain feedback on policies and issues impacting the workforce.

Relative to technology resources, the CEO has made a major investment in new technology to support the delivery of decision-making information to County managers. This includes the implementation, over a period of four years, of a high speed, broad bandwidth Asynchronous Transfer Mode (ATM) wide area network that provides extensible data delivery services to every County agency and department. The County's ATM network supports the County's vision of a web-driven, ultra-thin, client environment providing easy to use, simultaneous data, image, video and voice services. Some of the many applications that support and assist the CEO in communicating with employees and implementing corporate programs include: on-line Employment Applications; on-line Purchasing; automated budgeting (BRASS) and the Data Warehouse.

CHALLENGES

All four of the following goals face challenges, and strategies to achieve these goals are identified for each. However, in the year 2003, and for the next several years, the key challenge to achievement of many County goals will be the impact on the County budget by the decisions that will be made by the State and Federal government. In particular, the State is facing a budget deficit of approximately \$35 billion through 2003-04. This estimate may rise. The County of Orange will certainly be impacted by the impending funding decisions in Sacramento.

The CEO's office is closely involved in the 2003 Strategic Financial Plan's Step 1 and 2 reduction process. The CEO has developed and is exploring a number of financial rebalancing strategies including: Internal Service Fund rebate of Net County Cost, a lease/lease-back of Building 16, one time property sales, use of existing reserves, issuing pension obligation bonds, and financing the CAPS system upgrade. The Board of Supervisors will be presented with a balanced five-year strategic financial plan.

All County agencies/departments were requested to prepare immediate budget reductions (called Step 1). On November 5, 2002, the Board of Supervisors adopted the Step 1 reductions, which amounted to \$7.2 million countywide. The CEO budget contributed \$1.4 million in reductions for 2002-03, and an additional \$2.1 million over the next five years.

2003 STRATEGIES

Goal 1: Facilitate, support and ensure the implementation of decisions by the Board of Supervisors

In 2003, the CEO will support Board decision-making by continuing to provide comprehensive and timely analysis and recommendations relative to emerging legislation, trends and issues, interact with and/or develop partnerships with external bodies on matters of common interest, and analyze and coordinate Board agenda items.

Providing support to the Board this year will require developing and recommending strategies that address the financial impact of the State's budget decisions and the stagnant economy while moving the County forward in the direction of its strategic priorities. Affordable housing, reduced County debt, voting system replacement, Assessment Tax System and IBM Mainframe upgrades, gang prevention and intervention, watershed and ocean monitoring, Los Pinos land acquisition, Planning and Development Services financial issues, and jail expansion will remain the top priorities for 2003.

Specific activities for 2003 that will help to accomplish this goal are:

- Plan, prepare and present the County's 2003 Strategic Financial Plan
- Develop a plan to better manage the span of control and responsibilities of the County Executive Officer, examining and addressing the number of current staff directly reporting and future additional direct reporting responsibilities

- Lead the 2004 Business Planning process with the continuing goal of demonstrating the value created by County operations and measuring progress toward achievement of business goals
- Plan, prepare and present a balanced FY 2003/04 Proposed Budget for the County that is consistent with the Strategic Financial Plan
- Analyze, recommend, and implement strategies for reduction of long-term debt
- Provide affordable housing through the bond financed first-time homebuyers and apartment development programs
- Prepare and present Quarterly Budget Reports to the Board that update financial transactions during that quarter, provide Fund reports that monitor actual expenses to budget and expenditure levels, and monitor Net County Cost
- Update Community Indicators Project and use data to provide a snapshot of the economic, governmental, social, and environmental underpinnings of Orange County, and to provide relevant monitoring of key targets and individual outcomes
- Perform Board agenda item review to ensure agenda consistency with Board policy and budget
- Conduct in-depth analysis and make recommendations to the Board on policy, fiscal, legislative, operational and organizational issues
- Conduct Board briefings on agenda items and other issues
- Assist the new Board members in understanding existing County policies and procedures

Performance Measurement

Outcome Measure	FY 01 -02 Results	FY 02-03 Plan	FY 02-03 Actual Target Or Targeted Results	FY 03-04 Plan	How are we Doing?
Board Rating of CEO Support What: Board Members rate quality of support provided by CEO Why: To provide CEO with feedback on quality of support provided to the Board	Nothing to report	Develop survey document	Develop survey document	Conduct survey	Not applicable

Goal 2: *Improve County government's effectiveness in addressing community issues and needs*

County agencies/departments are addressing community issues and needs through a broad range of programs with multiple funding sources in the areas of Public Protection, Health and Community Services, Environmental Resources, and General Government services (e.g.

Assessor, Tax Collector/Treasurer, Clerk/Recorder). In order to focus their attention on their business goals, agencies/departments require flexible, and sound policy and organizational structures, stable financial resources, a sound corporate management system, state-of-the-art technology, and workforce strategies and programs that provide the framework within which they can operate efficiently. The CEO provides the leadership, strategic planning, corporate oversight and the financial, technological and human resources programs and systems that allow the agencies/departments to optimize their performance. There are a number of specific activities that the CEO will perform to ensure the accomplishment of this goal in the year 2003.

All CEO Divisions

- Provide leadership and systematic management processes to ensure that County agency/department operations are aligned with corporate programs and directives

Office of Finance

- Plan, prepare and present the County's 2003 Strategic Financial Plan to the Board with financial allocation alternatives and recommendations
- Lead the 2004 Business Planning process with the goal of strengthening the overall quality of plans by communicating the value created by each department and measuring progress toward the achievement of goals
- Plan, prepare and present a balanced proposed annual budget for the County that is consistent with the Strategic Financial Plan
- Prepare and present Quarterly Budget Reports to the Board which are coordinated with related activities and contain enhanced monitoring of general purpose revenues, other critical program revenues and Net County Cost

Office of Human Resources

- Complete Management Skills and Abilities Assessment and develop recommendations for improvements
- Move forward on phased implementation of IT, Office Services, Purchasing and Real Estate, project management, Library and paralegal occupational studies
- Upgrade the role and use of the IT Enterprise governance model with new CIO
- In collaboration with labor, examine Benefits plan design and identify changes for 2004 plan year

- Complete labor contract negotiations for In-Home Supportive Services Public Authority and MOUs with Orange County Manager's Association, Association of Orange County Deputy Sheriff's, and Orange County Attorney's Association
- Review and recommend improvements to the Orange County Retirement program
- Review/restructure Labor Management Committees
- Implement Countywide Recognition Programs
- Continue to develop and offer training in core areas such as: LEAD, Executive development and coaching, Performance Incentive Plan and Management Performance Plan, and Equal Employment Opportunity
- Complete development of Employee Orientation Program
- Develop and implement appropriate, targeted recruitment and marketing plan
- Lead development and implementation of Countywide public works construction projects compliance program
- Implement and coordinate Rideshare Program for the County
- Coordinate with HR teams to ensure consistent MOU and HR program compliance
- Review, recommend and represent the County's interests in legislative matters pertaining to the workforce
- Develop measurement tools and strategies for determining effectiveness of HR programs
- Continue to coordinate the County Volunteer and Intern program
- Implement restructuring and development of Countywide Occupational Health and disability management program
- Lead and coordinate strategies for addressing workforce impacts associated with budget issues
- Develop and implement HR technology enhancements including web conversion of HR publications, optical imaging or records, review of security measures and online recruiting
- Implement HIPPA Compliance program in Employee Benefits
- Implement automated employment verification program

Office of Strategic Affairs

- Continue to conduct organizational assessments of County agencies and departments and review and recommend/approve major and minor reorganizations with a goal of increasing efficiency and accountability
- Continue to coordinate County responses to requests for information from the press and through the CEO's Media Relations Office

Office of Information & Technology

- Continually improve service to County technology customers through encouraging and supporting increased use of e-government services such as online forms and automated workflow, wireless solutions, and document imaging technology. This will be accomplished through required enhancements to the County Wide Area Network, network security initiatives, and focus on implementing appropriate technology that enables County technology customers to perform their work.
- Efficiently and effectively provide oversight and manage the County data and telecommunications ACS outsourcing contract and consistently implement and achieve budget and customer service focused improvements and measurable results.
- Conduct an analysis of alternatives such as lease versus construction of office space that would, in turn, provide the opportunity to lease vacated raised floor Data Center space to ACS and increase revenue produced by the Data Center contract.
- Consistently and effectively engage and partner with the IT Steering Committee in terms of IT policy development, long and short range strategic planning, approval and enforcement of standards, and the IT Operations Committee in implementation and operations issues focused on improved customer service and achievement of measurable results.
- Address IBM mainframe, server-based, and Application Service Provider (ASP) applications customer utilization and growth, associated costs, any customer baseline changes, then develop and implement cost and customer focused solutions.
- Research the appropriate data and information, conduct a timely analysis, focus the results on customer service improvements, then simplify and improve the data and telecommunications billing services.
- Proactively participate in and be an integral Oversight Committee member for CAPS (County Accounting and Personnel System), ATS (Assessment Tax System), the HCA Enterprise System, and the Registrar of Voters new voting system focused on providing overall recommendations, as well as concrete technical advice and assistance.
- Provide concrete advice and service focused on development, enhancement, and improvement of CEO Enterprise systems such as AHRS, Virtual Job Application, Data Warehouse, BRASS, the Online Purchasing System, Pictometry, remote access via Terminal Server, and other systems as appropriate.

- Proactively support and assist in the research, analysis, and implementation of the findings of the Skill-Based Classification and Compensation study of IT professionals.
- Consistently, efficiently, and effectively technically enhance and concretely improve both the Orange County Web Portal and Intranet, focused on business processes, improved customer service delivery, and enabling customers to perform their work.

Performance Measurement

Outcome Measure	FY 01-02 Results	FY 02-03 Plan	FY 02-03 Actual or Anticipated Results	FY 03-04 Plan	How are we doing?
Agency/Department ratings of value of strategic, financial, technology and human resources support provided by CEO What: Provide CEO with feedback on agency/department assessment of the value of the strategic, financial, technology and human resources support provided by the CEO in improving their ability to address community issues and needs Why: To measure the effectiveness of the leadership and services provided by the CEO to agencies/departments	Nothing to report	Develop survey instrument	Develop survey instrument	Conduct survey	Not applicable

Goal 3: Ensure the financial strength and integrity of the County of Orange

In 2003 the CEO will continue to develop and implement strategies to accelerate debt reduction through defeasance, refunding, interest rate reductions, purchase and cancellation and/or funds reprogramming. In addition, the CEO will maintain solid working relationships with rating agencies, investors and insurers seeking opportunities for debt reduction. The CEO will propose implementation of a strategic financial plan that addresses the current budget crisis while protecting core County functions.

Specific activities for 2003 that will help the CEO achieve this goal include:

- Protect Vehicle License Fee revenues through legislative advocacy
- Analyze appraisals for properties pledged to the 1996 Recovery Certificates of Participation (COPS) and negotiate releases of certain properties with MBIA

- Develop a financial model for estimating cash balance requirements for the Teeter program
- Continue external restructuring by working with cities to annex/incorporate County islands where there is a financial incentive for the County
- Conduct quarterly arbitrage yield analyses of designated General Fund monies
- Form Phase IV of the Ladera Ranch Community Facilities and complete financing in the estimated amount of \$75 million for public facilities and improvements
- Completed the issuance of improvement bonds in the estimated amount of \$75 million for Newport Coast Assessment District No. 2001-1
- Address the projected Prop 172 sales tax revenue reduction and the impact on the Sheriff's and District Attorney's budgets
- Provide leadership and policy recommendations in closing the projected gap between revenues and expenses identified in the Strategic Financial Plan
- Conduct annual Investor Relations meetings with bond insurers, rating agencies and institutional investors
- Participate and provide leadership in the oversight and monitoring of all County financial functions and provide staff support to the Public Financing Advisory Committee
- Strategize and coordinate budget and financial issues with the Orange County Employees' Retirement System
- Continue to assist County agencies/departments in the completion of real property transactions including leases, acquisitions and land use
- Continue to support County agencies and departments in the Purchasing function by providing training, consultation and monitoring of the County's Purchasing program
- Develop a plan that secures stable and appropriate funding for the Planning and Development Services Department

Performance Measurement

Performance Measure	FY 01-02 Results	FY 02-03 Plan	FY 02-03 Actual or Anticipated Results	FY 03-04 Plan	How are we doing?
County of Orange Credit Ratings What: Ratings by major bond rating companies (Moody's, S&P, Fitch) Why: Credit ratings are indicative of financial creditworthiness and therefore factor into the County's borrowing cost.	Moody's continued rating at Aa2. Standard and Poor's upgraded the County's rating from A to A+	Maintain/ Improve Rating	Maintain Rating	Maintain/ Improve Rating	Moody's rating of Aa2 is the highest County credit rating ever
County Proposed Budget consistency, measured in dollars and projects, to Strategic Financial Plan (SFP) What: Indicates extent to which departments consider SFP in developing programs/budget Why: The annual budget implements the first year of the SFP requiring the two to be consistent	The FY 01-02 Plan was \$455 million for 15 projects. The budget was approx. \$455 million for 15 projects. A 16 th project is planned but the scope of work needs clarification for funding identification.	The plan for FY 02-03 is \$500 million and 17 projects.	The SFP was funded for 17 projects	To be determined	The budget was approximately \$567 million with 17 strategic priorities. The 02-03 Budget was within 13% of the plan amount, and all 17 of the planned projects were funded. The budget exceeded the 2002 SFP because of (1) Department Operating expenses, (2) Higher fund balance available, and (3) Use of Theo Lacy reserve for debt reduction

Goal 4: Preserve and advance the interests of the Orange County community by working with other levels of government and ensuring regional issues and needs are addressed

The CEO has a major leadership role in ensuring that the interests of the Orange County community are preserved and advanced at other levels of government. The CEO is involved in a number of regional coordination, planning and program implementation efforts in the areas of Public Protection, Health and Human Services and Environmental Resources. During the coming year the CEO will continue to take a major leadership role in determining the strategic direction of a variety of programs and projects.

Specific activities that will help to accomplish this goal in 2003 are:

- Implementation of Unincorporated County Island Revitalization Strategic Plan
- Selection of a vendor and development and implementation of a comprehensive plan for the implementation of a new electronic elections system
- Selection of new CEO Watershed Coordinator to coordinate County's response to watershed and ocean monitoring requirements.
- Develop and implement a comprehensive strategy to ensure that the energy needs of the County organization are met in an efficient and cost-effective manner
- Continue to implement a Comprehensive Economic Development Strategy utilizing the offices of Protocol and International Business Development, Film and Tourism resources
- Facilitate realization of the Tiger Woods Learning Center
- Develop and maintain public/private partnerships with cities, State and Federal agencies, community-based organizations, the business community and other stakeholders
- Assist in the completion of the 800 megahertz emergency communications system
- Receive Board direction and implement a Countywide child care strategic plan to enhance the quantity, quality, affordability and accessibility of child care services and increase the amount of State and Federal funds received by child care agencies in Orange County
- Explore the feasibility of establishing a child care center in the Civic Center area for Orange County employees
- Monitor State and Federal legislation impacting Orange County and take appropriate and timely action within the framework of the County's Legislative Platform
- Analyze the feasibility of financing an energy co-generation project at the Central Utility Facility

- Continue efforts to finance and develop affordable housing through the first-time home buyers and apartment development bond programs
- Develop a new governance structure for Animal Care Services
- Continue to work with agencies/departments to complete development of juvenile institution expansion to address current and future needs for juvenile beds
- Continue to support and facilitate the Orange County Criminal Justice Coordinating Council
- Utilize the RELOOC process in assessing and developing a plan to address future waste management disposal issues
- Continue to ensure the safety of airport passengers, support of redevelopment activities of Santa Ana Heights and monitor airport lease revenues
- Enhance the current assessment tax system (ATS) by integrating various systems and processes and simplifying the user interface
- Implement the County's legislative program within the framework of the legislative platform adopted by the Board of Supervisors
- Continue to produce Community Indicators Report that tracks economic, social and environmental trends in Orange County that will assist planning and decision-makers

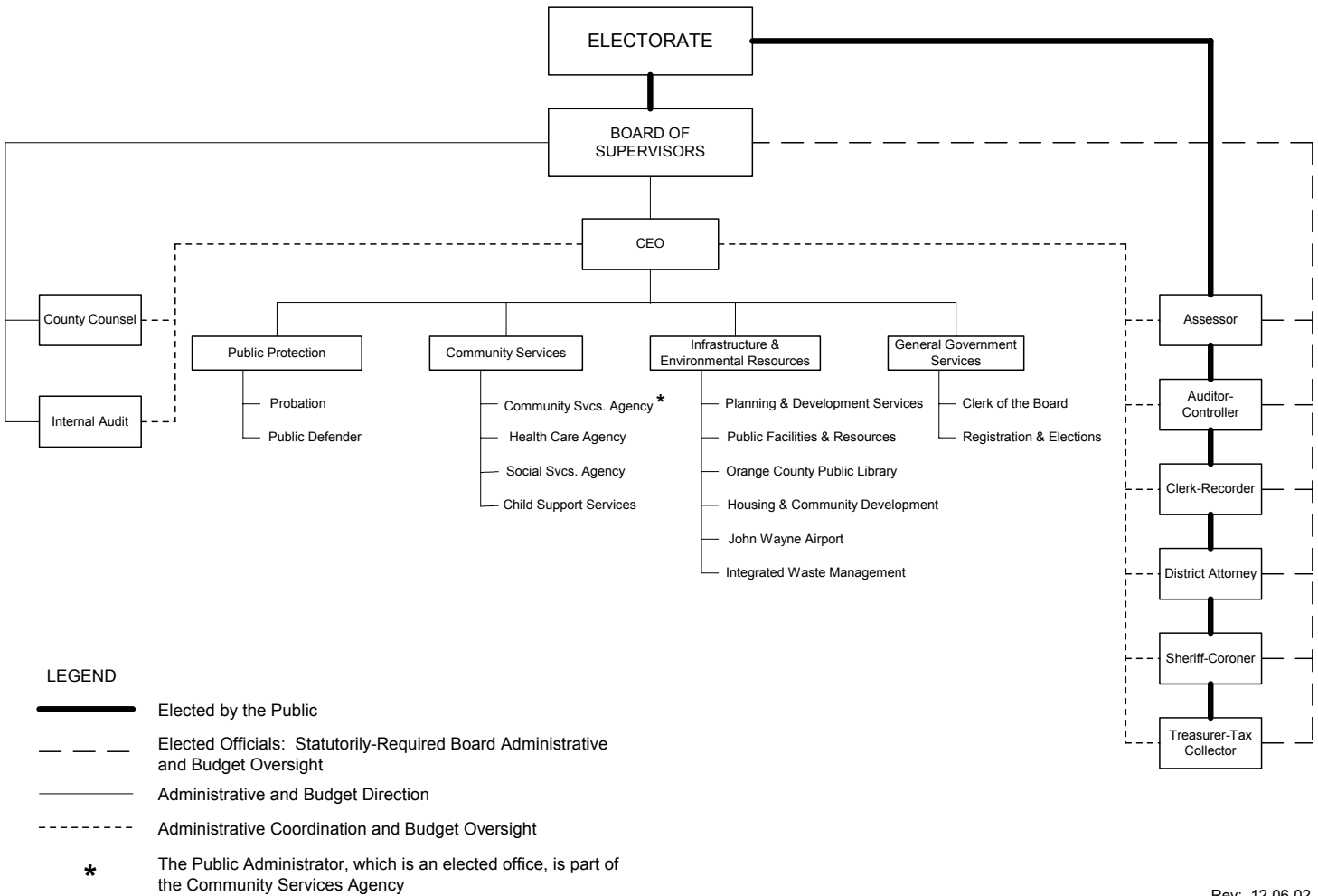
Performance Measurement

Performance Measure	FY 01-02 Results	FY 02-03 Plan	FY 02-03 Actual or Anticipated Results	FY 03-04 Plan	How are we doing?
Local government ratings of regional services and coordination provided by the County What: Provides the CEO with feedback on the percent of local government officials within Orange County who positively rate County leadership Why: Provides CEO with an indicator of the quality of leadership that the office is providing to the community	Nothing to report	Develop survey instrument	Develop survey instrument	Conduct survey	Not applicable
Legislative agenda satisfaction What: Agencies/departments satisfaction with the CEO's legislative agenda and results Why: Provides CEO with a measure of the success of the CEO's efforts to define an appropriate legislative agenda and achieve results favorable to Orange County	Nothing to report	Develop survey instrument	Develop survey instrument	Conduct survey	Not applicable

APPENDIX A
ORGANIZATION CHART

- **County of Orange (See Attached)**
- **County Executive Office (See Attached)**

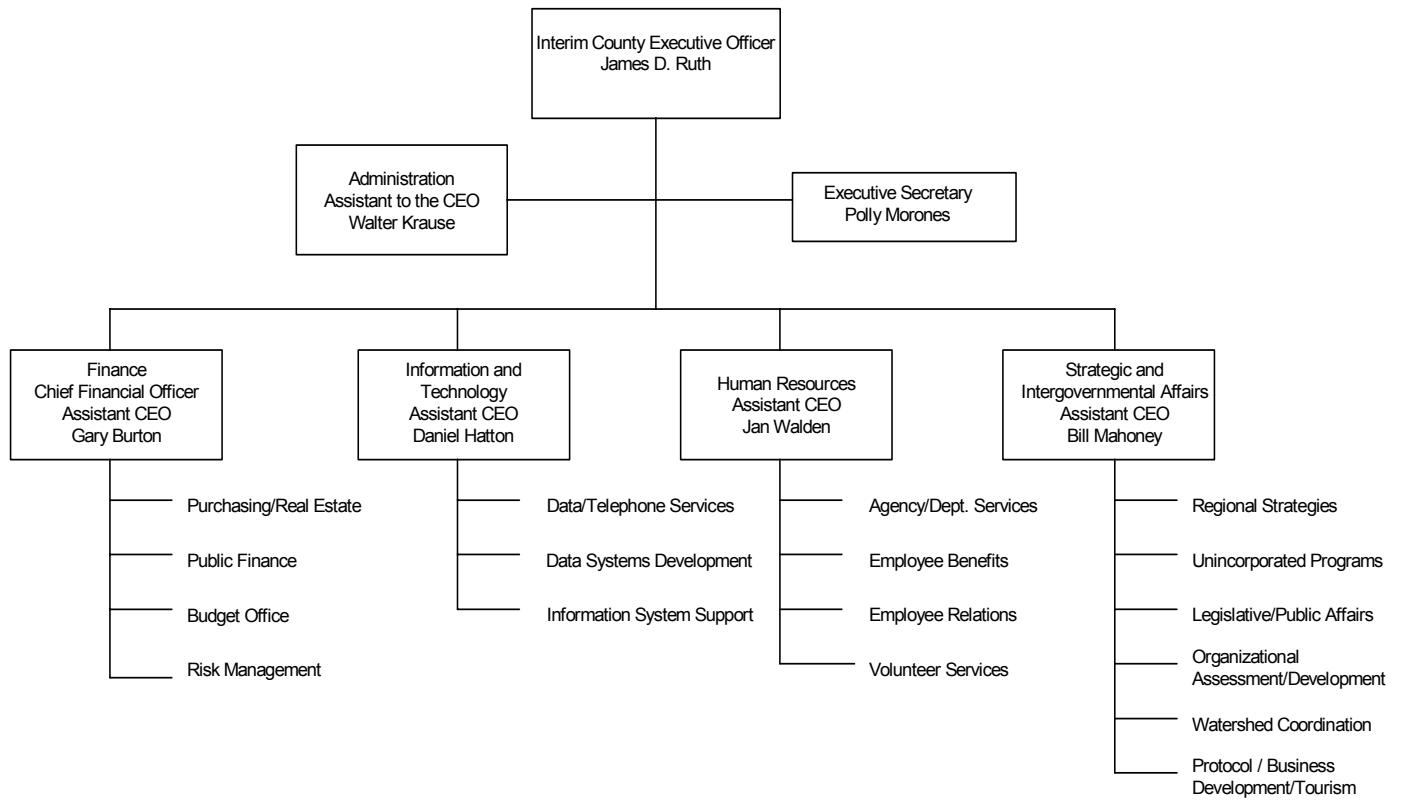
COUNTY OF ORANGE ORGANIZATIONAL CHART



Rev: 12-06-02

COUNTY EXECUTIVE OFFICE

ORGANIZATION CHART



Rev 3-07-03

APPENDIX B

COUNTY EXECUTIVE OFFICE

MANAGEMENT TEAM:

Office of Finance (Gary Burton) – Provides leadership and manages the overall financial operations of the County. Major responsibilities include long range strategic financial planning, public finance, risk management, budget, corporate business planning, corporate purchasing and real estate support.

Office of Information and Technology (Daniel Hatton) – Provides leadership in the planning and implementation of corporate information technology investments to achieve County goals and objectives. Major responsibilities include data center operations, wide and local area network operation and support, applications development and programming, and telephone services.

Office of Human Resources (Jan Walden) – Provides leadership in change management, and in developing organizational design, best practices and people strategies that allow the County to attract, select, and retain business-required talent. Major responsibilities include labor contract negotiation and interpretation, development of human resource policy and program initiatives designed to encompass public/private best practice strategies, policy compliance auditing, benefits administration, and employee development and training programs.

Office of Strategic & Intergovernmental Affairs (Bill Mahoney) – Provides leadership in the planning and establishment of effective governance structures and relationships for the accomplishment of County corporate, as well as regional goals and objectives. Major responsibilities include coordination of all Federal and State legislative advocacy efforts, conducting organizational assessments, providing oversight and coordination of a number of critical regional issues (e.g., watershed, child care, annexation/incorporations), and administering the Orange County Development Authority, the Comprehensive Economic Development Strategy, and the Offices of Protocol and International Business Development, and tourism activities.

APPENDIX C

LABOR MANAGEMENT COMMITTEE

The County Executive Office wishes to thank and acknowledge the contributions of the members of the Labor Management Committee.

2002 Committee:

Sponsor: Sharon Lightholder

Members: Sharron Anderson (CEO)
Carlos Bustamante (CEO)
Robert Connal (CEO)
Rosemary Dey (CEO)
Julie Mussche (CEO)
Ellen Naylor (CEO)
Renee Rehders (CEO)
Tom Tousignant (CEO)
Pat Martinez (COB)
Charlene Weaver (COB)
Frank Kim (CEO)
Kellie Kidder (OCEA)

2003 Committee:

Sharon Lightholder

Sharron Anderson (CEO)
Carlos Bustamante (CEO)
Robert Connal (CEO)
Rosemary Dey (CEO)
Julie Mussche (CEO)
Ellen Naylor (CEO)
Tom Tousignant (CEO)
Pat Martinez (COB)
Charlene Weaver (COB)
Karen Davis (Clerk-Rec.)
Patty Turner (Clerk-Rec.)
Cynthia Viall (Clerk-Rec.)
Lorena Cornejo (Reg & Elec.)
Kate Wiley (Reg & Elec.)
Maria De La Torre (OCEA)

2002 Accomplishments:

- Published LMC newsletter
- Developed cost reduction suggestions to assist in developing budget reduction strategies for 2003-04
- Offered suggestions for 2002 Business Plan
- Implemented LMC website
- Produced “Meet your LMC Spring Fling Chili Event”

2003 Planned Activities:

- Publish quarterly newsletter
- Develop proposal to enhance communication to members of the department represented in the LMC.
- Provide input into the 2003 Business Plan

APPENDIX D

ACCOMPLISHMENTS - 2002

The following is a list of projects completed in support of 2002 goals:

GOAL 1: *Facilitate, support and ensure the implementation of decisions by the Board of Supervisors*

- The 2002 County Strategic Financial Plan was adopted by the Board on October 30, 2001
- The Board approved the addition of an Assistant to the Chief Information Officer to reduce his span of control and better manage his work responsibilities
- The 2003 Business Plan process was implemented, with final plans due in February, 2003
- Initiated a collaborative process utilizing a committee of agency/department heads to recommend direction for CEO and Board consideration in development of the 2003-04 budget
- Prepared four quarterly budget reports for the Board to keep the 2002-03 annual budget updated
- Monitored State legislative activity closely to assess potential impacts to the 2002-03 budget.
- The Community Indicators Report was updated and published in February, 2002
- Reviewed all Board agenda items, and facilitated improvements to the processing of agenda items
- Initiated contact with the Supervisor-elect for the Fourth District to facilitate his orientation to office in January, 2003
- Finalized the reorganizations of the Public Facilities Resources Department and the Health Care Agency
- Established IHSS Public Authority and conducted exclusive recognition election for IHSS workforce

- Negotiated various County workforce programs including 2% at 50 for Probation Department; 3% at 50 for Sheriff's Department; Annual Leave for OCEA and SEIU; and training and development program for IT professionals
- Received Honorable Mention award from CSAC for Partnership for Progress program (OCEA Negotiations process)
- Received OCTA Transportation Partnership Award for Communications associated with the Commuter Assistance Program
- Established working group to assess Countywide construction practices and develop a Countywide labor code compliance program
- Sponsored Job Accommodation Network (JAN) symposium for 125 HR professionals

GOAL 2: *Improve County government's effectiveness in addressing community issues and trends*

- Completed implementation of the Results Oriented Government component of the Corporate Management System ensuring that every agency and department has meaningful and measurable performance indicators
- The County of Orange received an overall grade of "B" in a national evaluation by Governing Magazine for its financial, HR, IT and Infrastructure programs
- Resolved all labor impacts for a variety of issues including the creation of the Child Support Services Department (SB739) implementation;
- Developed, implemented and/or enhanced leadership programs including: LEAD, Executive LEAD and employee self-leadership
- Implemented Board-adopted Employee Recognition Program
- Worked collaboratively with labor to identify and implement PIP program changes; developed and provided PIP Refresher training to approximately 2400 supervisors and reviewers and provided Mediation training to 75 employees and managers to support the PIP Conciliation process
- Continued to support and enhance the role of the LMC's
- Completed assessment of MPP and implemented changes recommended by consultant and Department Head Advisory Committee
- Completed Countywide study to determine the cost of recruiting and developed a plan for the Future of Recruitment and Selection in the County

- Developed and implemented enhancements to key HR systems including the Virtual Application; Advantage Desktop, the Data Warehouse and the home pages for the internet and intranet. Functions that were automated included: the annual Rideshare survey; the Interactive Volunteer Interpreters Website; various CEO publications and Employee Relations processes; online Benefits open enrollment and over 5000 separated personnel files
- Established and implemented process to align classification and workforce planning with business planning, strategic financial planning and budgeting
- Draft of HR Strategic Plan was completed
- Planned and implemented the 2002 Volunteer Recognition ceremony which honored 53 volunteers and was attended by approximately 300 guests
- Completed decentralization of AHRS approvals and transitioned CAPS/Records
- Continued working with HCA and Risk Management to restructure and enhance disability management program by implementing an “interactive process” procedural requirement, the elimination of certain Class 1 physicals, and the establishment of a streamlined process to ensure improved compliance with ADA for new employees
- In collaboration with labor organizations, developed and implemented the enhanced 2002 Benefits design for PPO and HMO health plans and the new Health Care Reimbursement Account (HCRA)
- Developed the 2002-03 Marketing plan for the County as an Employer of Choice
- Through CEO/HR’s efforts in recruiting, consultation and coordination of the Volunteer Program, provided the County with over \$28 million in services from interns and volunteers
- Established Countywide policy on employee use of the internet
- Enhanced County technology by increasing use of web services and wireless technology and completing enhancements to the Wide Area Network
 - County’s web portal expanded and enhanced. Portal templates developed for use uniformly throughout County of Orange
 - Wireless initiatives started in two departments. HOA wireless pilot completed and evaluated
 - Terminal Server services pilot initiated
 - Wireless PDA services provided

- Continued to effectively manage and monitor the County data communications ACS Outsourcing Contract
 - Contract monitored and managed. Annual Customer Satisfaction Survey administered and completed. Other County Agencies have been assisted in their access to the services available under the contract
- Continued to engage the IT Steering Committee in IT policy development and long-range strategic planning and the IT Operations Committee in operational and implementation matters
 - Scheduled and chaired quarterly IT Steering Committee and IT Operations Council meetings
- Developed a strategy for addressing long-term IBM mainframe usage and cost recovery issue
 - Leased IBM mainframe to meet temporary need. Started strategy development process to assess and meet long term mainframe computing needs
- Continued to participate in the Oversight Committees for the CAPS and the Assessment Tax systems and provide technical assistance, as requested by the Registrar of Voters in the selection of a new voting system
 - Participated in CAPS and ATS Steering Committees. Assisted in selection process for new voting system
- Continued to develop and enhance CEO systems including AHRS; Virtual Application, Data Warehouse, BRASS and the online Purchasing system

GOAL 3: Ensure the financial strength and integrity of the County of Orange

- Developed 2002 Strategic Financial Plan approved by the Board on October 30, 2001
- On April 24, 2002, the County issued \$80.3 million of lease revenue bonds to refund the Juvenile Justice Center and finance the cost of the Treasurer's Treasury Management System resulting in a \$5.4 million savings to the County General fund, or \$450,000 per year.
- Presented a balanced budget for 2002-03, adopted by the Board on June 25, 2002
- Moody's continued the County's credit rating of Aa2, and Standard and Poor's upgraded the County's rating from A to A+

- Ladera Ranch Community Facilities District No. 2001-1 (Phase III) financing in the amount of \$33 million was finalized to fund public facilities and improvements in the district
- Conducted summer investor relation meetings in New York
- Improved coordination with Orange County Employees Retirement System on various retirement-related policy and financial issues, and reached agreement on the ARBA (Additional Retirement Benefit Account) which offers assurance to retirees on continued health care subsidies
- Developed new strategies to secure new insurance protection and bar new liability exposures related to terrorism
- County issued Apartment Development Revenue bonds in the amount of \$8 million to finance 61 rental units for low income families at Mendocino at Talega Apartment Homes
- Assisted 65 very low income to moderate income, first-time home buyers secure financing in 2002
- In partnership with Los Angeles County through a joint powers authority (Southern California Home Financing Authority), issued Series 2002 bonds in the amount of \$20 million for mortgage financing for first-time buyers
- Successfully transitioned the Family Support Division from the District Attorney to create a new agency called Child Support Services
- Updated qualified list of panels for financial advisory, bond counsel, and underwriting services
- Developed and implemented comprehensive safety, loss prevention and insurance programs for the County
- Settled Ventura lawsuit including agreement with OCERS that provides the County greater flexibility in the use of the Investment Account
- Developed and coordinated the process for employee and LMC participation in creating Countywide efficiencies and cost reductions
- Initiated review of the fiscal operations of the Planning and Development Services Department

Goal 4: Preserve and advance the interest of the Orange County Community by working with other levels of government and ensuring regional issues and needs are addressed

- Completed a very active and successful legislative program in Sacramento and Washington, D.C.

- Facilitated discussions and agreement with the City of Anaheim to implement the Tiger Woods Learning Center
- Trained 2,559 County employees in various loss prevention and safety classes
- Facilitated expansion of the Registrar and Elections Department poll workers program to include County employees
- Facilitated Office of Aging in assessing organizational change to improve delivery of services
- Newport Coast annexation
- Board approval of unincorporated area County island Revitalization Strategic Plan
- Completed first watershed study with municipal, special district, State and Federal partners
- Drafted child care strategic plan to be presented to Board in 2003